

Message Text

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20

ORIGIN EB-07

INFO OCT-01 ARA-10 ISO-00 CAB-05 CIAE-00 COME-00 DODE-00

DOT-00 INR-07 NSAE-00 FAA-00 FEA-01 OES-05 ERDA-07

TRSE-00 /043 R

DRAFTED BY EB/OA/AVP:JCOOK:GL

APPROVED BY EB/OA/AVP:DBORTMAN

ARA/LA/BR - SLATTERY

EB/AN-AJRIMAS

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R 251510Z FEB 75

FM SECSTATE WASHDC

TO AMCONSUL RIO DE JANEIRO

INFO AMEMBASSY BRASILIA

UNCLAS STATE 041893

E.O. 11652: N/A

TAGS: EAIR, BR

SUBJECT: CIVAIR - TIA FUEL PROBLEM

REF: (A) RIO DE JANEIRO 547 (B) STATE 146637 OF 7/8/74

1. IN ADDITION TO LANDING RIGHTS PROBLEMS IT IS HAVING IN BRAZIL, (REFTELS) TIA INFORMED DEPT THAT IT WAS GOING TO RAISE FUEL TAX ISSUE (REFTEL B) WITH BRAZILIAN AUTHORITIES. ACCORDING TO TIA, THE GOB GRANTS PAA AND BRANIFF AN EXEMPTION FROM 12.5 CENTS PER GALLON TAX ON AVIATION FUEL WHILE DENYING TIA SIMILAR EXEMPTION. TIA ESTIMATES TAX WILL COST IT AN EXTRA \$250,000 FOR 1975 PROGRAM. TIA BELIEVES THAT UNDER APPLICABLE US REGULATIONS THE DENIAL OF FUEL TAX EXEMPTION BY BRAZILIAN AUTHORITIES WOULD REQUIRE THE SECRETARY OF COMMERCE TO WITHDRAW VARIG'S TAX EXEMPT STATUS UNDER US LAW (SEE REFTEL B PARA 5).

2. DEPT WOULD APPRECIATE REPORT ON BRAZILIAN EFFORTS TO
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MODIFY LAW WHICH DENIES TAX EXEMPTION TO CHARTER OPERA-

TORS. COPIES OF TIA LETTERS TO DEPARTMENT AND TO BRAZILIAN
AUTHORITIES ON SUBJECT BEING POUCHED SEPARATELY. KISSINGER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CIVIL AVIATION, SUPPLEMENTAL AIRLINES, JET FUEL, TAX RELIEF, FOREIGN POLICY POSITION
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Copy: SINGLE
Draft Date: 25 FEB 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Drafter: JCOOK:GL
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Handling Restrictions: n/a
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To: RIO DE JANEIRO
Type: TE
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